



AN EDUCATIONAL SERVICE OF THE
COLORADO RIVER WATER CONSERVATION DISTRICT

Basin of Origin Protection

The concept of “Basin of Origin Protection” has been mentioned frequently with recent political events and will potentially be an issue confronting the Colorado General Assembly during the next legislative session. But what is basin of origin protection?

Basin of origin protections address the negative consequences that occur when water is permanently removed from one area of the state for use in another. What are some of the consequences of losing water resources?

- Less water to meet future needs.
- Less dilution flows in streams resulting in poorer water quality.
- Reduced capacity of rivers and streams to sustain aquatic life.
- Diminished or eliminated recreational opportunities.
- Negative economic impacts to local economies and local governments.
- Increased cost of developing new water resources.

The concept of basin of origin protection is that areas of the state that lose water resources should have the negative impacts of the loss of water mitigated or compensated. The obvious question that follows is how can a region of the state be adequately protected and/or compensated from these negative impacts.

- Compensatory storage – This concept was first pioneered by the Western Colorado Protective Association, now called the Colorado River Water Conservation District. Compensatory storage is when a reservoir is constructed for the benefit of the area that loses water to augment stream flows reduced by out-of-basin diversions and preserve water for present and future in-basin needs.
- Payment-in-lieu-of-taxes (PILT) – When formerly productive farm and ranch land sells its water rights for transfer out of the basin, local governments will lose tax revenues associated with that land. Schools, police, water and sewer and other services can suffer from losses of tax revenues. PILT payments are typically made to the county that loses tax revenues as a result of water transfers so that county’s residents will not suffer a loss of essential services.
- Infrastructure modifications - When a large amount of water is diverted out of a basin, stream levels go down and some water-related infrastructure may become

inoperable or inadequate. Water intake structures may be above the new water levels and water treatment plants may have to adjust to treat water of poorer quality. In these circumstances, the entity removing water from the area would rebuild or modify existing infrastructure to keep the water-losing area from paying for the changes required by the reduction in water.

- Other concepts – Basin of origin protection measures will vary depending upon the needs and impacts of the various communities affected. Local governments should be able to identify impacts from the loss of water and propose remediation measures. Mitigation for environmental damages caused by water transfers, protection of minimum stream levels, timing diversions to minimize impacts to recreation or the environment and many other measure may be identified as necessary.

These measures can be a financial burden to any entity that seeks to transfer water to where there is a need, but these expenses are part of the true cost of water development.